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HANOI 00001245 001.6 OF 006

Summary

1. (SBU) Analysis of the new membership of the Communist Party of Vietnam's Central Committee and Politburo following the April National Party Congress indicates a barely perceptible victory of conservative over progressive elements within the Party (although Party insiders now say that the progressive/conservative rubric is becoming increasingly meaningless.) Restive Party Congress delegates thwarted the Central Committee's plans to expand the Politburo to 17 members and declined to elect two of the favored Politburo candidates to the new Central Committee at all. Minister of Public Security Le Hong Anh was the surprise winner, emerging as a power broker with a huge mandate within the Party, but without a formal position - for now. End Summary.

Nuts and Bolts of the New Central Committee

2. (SBU) The Communist Party of Vietnam (CPV) announced the list of new Central Committee members, including 160 official members and 21 alternates, during the 10th National Party Congress on April 24 (Refs A-D). Compared to the previous Central Committee, members concurrently holding key Government positions decreased from 34 to 28, including 15 vice ministers, 10 ministers, the State Bank Governor and Deputy Prime Ministers Nguyen Tan Dung (Ref E) and Pham Gia Khiem. The reduction represents the fact that some key officials are retiring or being forced out, and their replacements have not yet been named; these successors will almost certainly come from the new Central Committee, so the number of Central Committee members holding key government appointments will stabilize at around 34, or perhaps slightly higher. Some 22 Central Committee members are currently holding key Party positions at central offices and media agencies, as compared to 30 in the previous slate. Again, this reflects retiring officials whose replacements have yet to be announced.

3. (SBU) The military now has 16 of its own as Central Committee members, as compared with 11 in the previous Central Committee. Seven military generals were re-

elected, including Vice Minister and Chief of General staff Phung Quang Thanh (who is expected to be named Minister of Defense), General Political Department Chief Le Van Dzung and three out of four other vice ministers: Nguyen Huy Hieu, Phan Trung Kien and Nguyen Van Duoc. New members representing the military in the Central Committee include commanders of the Navy, the Air Defense Force and all seven military regions.

14. (SBU) The Ministry of Public Security did very well in the election, with seven of the nine top MPS officials winning seats. These include Minister Le Hong Anh and Vice Ministers Nguyen Khanh Toan, Le The Tiem and Nguyen Van Huong. Furthermore, the three new vice ministers who were appointed just before the Party Congress opened in April also made the cut. This large representation on the Central Committee adds weight to the reports that the Ministry of Public Security will split into two ministries (Ref F).

15. (SBU) The Ministry of Foreign Affairs was shut out of the Central Committee; no MFA officials are among the regular membership, and the alternate list contains just one mid-level (though fast rising) cadre: Assistant Minister of Foreign Affairs for International Organizations Pham Binh Minh. However, MFA sources point out, Deputy PM Pham Gia Khiem, who was elected to the Politburo, is slated to take the Foreign Minister position in addition to his Deputy PM job; the current FM, Nguyen Dzy Nien, is not a member of the Politburo. "We are in better shape with our Minister on the Politburo and no representation in the Central Committee, rather than lots of representatives in the Central Committee and no spot on the Politburo," one CPV member who works at the MFA told Poloff.

16. (SBU) As in past Central Committees, geographically,

HANOI 00001245 002.6 OF 006

the new Central Committee is extremely diverse. Sixty-three out of 64 provinces are represented, with only the Central Highlands province of Dak Nong left out. Hoang Cong Hoan, the former Party Secretary of Lang Son Province, was not re-elected to the Central Committee. In March, he was dismissed and reprimanded by the Politburo for "signs of violations to the principle of centralized democracy and Party's working method" after becoming embroiled in a corruption scandal and the embarrassing and expensive public failure of an infrastructure project. However, Hoan landed on his feet: in spite of being sacked in Lang Son and losing his Central Committee seat, he was appointed a vice chairman of the Central Committee-affiliated Commission for Management and Finance, a position some would argue is a promotion from his previous job in Lang Son.

17. (SBU) Hanoi has three representatives in the new Central Committee, including Party Secretary Nguyen Phu Trong, Deputy Party Secretary Phung Huu Phu and Chairman of the Municipal People's Committee Nguyen Quoc Trieu. For Ho Chi Minh City, Party Secretary Nguyen Minh Triet, Deputy Party Secretary Le Hoang Quan, Chairman of the HCMC People's Committee Le Thanh Hai and Vice Chairman of the People's Committee Nguyen Thien Nhan were named to the Central Committee.

18. (SBU) The "election" of the Central Committee went according to the CPV's plan. According to official sources, all members of the new Central Committee (official and alternate) were nominated by the previous Central Committee; none of the two self-nominated or 33 "independent" candidates nominated by other delegates at the 10th Party Congress succeeded. The failures included widely disliked Minister of Public Health Tran Thi Trung Chien and Vice Minister of Foreign Affairs Nguyen Phu Binh.

¶9. (SBU) The presence of alternates in the new Central Committee is important, and this is the first time in 20 years the Central Committee has included alternates. According to local interlocutors, all 21 alternates are successful mid-level officials, and their alternate membership in the Central Committee marks them for promotion in the future. The last time the CPV Central Committee elected alternate members, in 1986, the alternates were already high-ranking officials. Alternate membership at that time was a form of recognition of achievement without real significance, commented local observers.

Politburo Structure: Narrow Victory for "Conservatives"

¶10. (SBU) According to our interlocutors, Nong Duc Manh's re-election reflects a narrow victory for conservative over progressive elements within the Party's Central Committee after a surprisingly tough battle. Ngo Cuong, Editor-in-Chief of the Supreme People's Court-affiliated Judicial Journal, said conservative elements favored the "safe choice" of retaining Manh in office for another term, instead of replacing him with challenger Nguyen Minh Triet from Ho Chi Minh City, despite Triet's popularity among delegates attending the Party Congress. According to Cuong, over the past five years, Manh has proven to be an incompetent and indecisive leader, which in fact made him attractive to those in the Party who do not want a strong leader who might challenge the deliberative consensus-based decisionmaking process in the Party. Conservative elements within the Party, who favored the "status-quo" scenario, successfully insisted on having the Central Committee elect the Party Chief rather than adopt an alternative proposal to open up the Party Chief election to the entire Congress, a setback for the "progressives."

¶11. (SBU) According to Cuong, these conservative elements were counting on the new Central Committee members to demonstrate loyalty to Manh, whose "Personnel Task Force" recommended their selection by the previous Central Committee. The failure of any non-sanctioned candidate to win election to the Central Committee and the rejection of the proposal to expand voting for the Politburo to the entire Congress were victories for the conservatives, former Office of the National Assembly Vice Chairman (and failed candidate for the Central Committee) Nguyen Sy Dzong told Poloff.

HANOI 00001245 003.6 OF 006

¶12. (SBU) Party Chief Nong Duc Manh held off a challenge from Nguyen Minh Triet, but his allies had to yield key State and Government positions to the so-called "southern progressive factions" in the Politburo. This is a clear reflection of the current power struggle within the country's top institutions, commented Prof. Ngo Van Hoa from the Institute of History. Among southerners coming out on top, former HCMC Party Secretary Truong Tan Sang, chief of the Party Central Economic Commission in the previous Central Committee, has been named Permanent Standing Member of the Politburo Secretariat, a powerful position that is sometimes considered deputy to the Party Chief. Similarly, Prime Minister Phan Van Khai has publicly endorsed Permanent Deputy Prime Minister Nguyen Tan Dung (also from the south) to replace him as PM at the end of the ongoing National Assembly session. Finally, current HCMC Party Secretary Nguyen Minh Triet is expected to become the State President. This represents a net gain on the Politburo for the supposedly progressive southerners, but Manh's survival

as Party Chief means the status-quo conservatives maintain the upper hand, slightly.

Rank and File Thwart the Establishment's Plans

¶13. (SBU) When the Congress' votes for Central Committee members were counted, it was clear that Manh and his allies had received a bloody nose. Two Government ministers, Home Affairs Minister Do Quang Trung and Minister of Education and Training Nguyen Minh Hien, were not elected to the new Central Committee despite being nominated by the previous Central Committee, demonstrating a clear lack of confidence in their abilities among the Congress delegates. Party insiders said that both Hien and Trung were expected to be named to the new Politburo. The two ministers, however, were blamed for shortcomings and mistakes that took place in their domains that outweighed their Party connections and ideological loyalty, Cuong asserted.

¶14. (SBU) Trung's downfall involved the PMU 18 corruption scandal (Refs G and H), disclosed shortly before the Party Congress opened. That case involved both the Minister and a Vice Minister of Transportation, both of whom were supposed to become members of the new Central Committee, with the Minister expected to be promoted to Deputy Prime Minister. Trung, the Minister of Home Affairs, was implicated because of the work he did in his position to facilitate the promotion of the central figure in the scandal. Though he escaped investigation and prosecution, the Congress delegates registered their anger at his involvement in the scandal by withholding votes for him for the Central Committee. As a result, he is likely to lose not just his elevation to the Politburo, but also his job, despite the efforts of Party insiders to protect him.

¶15. (SBU) The other "missing member" of the Politburo, according to Prof. Hoa, is Phung Huu Phu, currently standing vice chairman of Hanoi Party's Committee and a protege of Hanoi Party Chief Nguyen Phu Trong. Trong, currently heading the CPV Central Committee's Theoretical Council, has long been seen as a truly conservative ideologue and is expected to replace Nguyen Van An as Chairman of the National Assembly during the May-June 2006 session of the National Assembly. Phu was supposed to be elected to the Politburo, ensuring his succession to Trong's Hanoi Party Chief position. However, he failed to win a majority of Central Committee votes and was thus left out of the Politburo, Hoa asserted. Pham Quang Nghi, the conservative Minister of Culture and Information, who was elected to the Politburo, is now expected to replace Trong. With the absence of Hien, Trung and Phu, the Politburo stands at 14, despite the earlier decision to elect 17 members. No other candidate received a more than 50 percent approval rating. That said, some HCMC contacts report that the Politburo will expand membership to 17 later in the year.

Choice of Manh versus Triet: Role of Le Hong Anh

HANOI 00001245 004.6 OF 006

¶16. (SBU) Echoing Cuong's assertion regarding Nguyen Minh Triet's popularity as the challenger to Nong Duc Manh for the position of Party Chief among delegates attending the Party Congress, Professor Hoa said Triet's chances of unseating Manh were good until Minister of Public Security Le Hong Anh, who has a

strong powerbase in the Party and was the top vote-getter in the Politburo after Manh's coronation, withdrew his support for Triet at the last minute. One government official, speaking to Poloff on the deepest of background, noted with disgust that following the Party Congress, "Anh is in the kingmaker seat, and suddenly all the PMU-18 pressure on Manh goes away."

¶17. (SBU) That official noted that Le Hong Anh is the lead official directing the investigation of the PMU-18 case, which was widely considered to be very damaging to Manh because PMU-18 employs several of his proteges, including his son-in-law. Now, however, investigators have "failed to reach the end of the trail because powerful figures have seemingly put a stop to them." The official noted that soon after the conclusion of the Congress, the Ministry of Public Security conducted another meeting, after which Major General Cao Ngoc Oanh stood with a relaxed smile at a press conference, side by side with his fellow investigators who confirmed that they are "still on the same boat." Oanh had lost his ticket to attend the Party Congress, as well as his widely-expected election to the Central Committee and promotion to Vice Minister of Public Security, after press reports of his involvement in the case appeared.

¶18. (SBU) Cuong and Hoa quoted other local observers as saying there appears to have been a significant change in MPS's approach to the PMU-18 case since the Party Congress, which must relate to a change in Le Hong Anh's attitude about it. Local observers say Anh, who is still relatively young at the age of 57, is likely to take a more important portfolio within the Party. They noted that for the first time, the list of members to the new Politburo was made public in the order of votes each member received, instead of in rank of importance/top positions. Anh received the second largest number of votes of support, after Manh, who received everyone's vote by virtue of already having been chosen Party Leader.

Conservative vs. Progressive: Consider Corruption

¶19. (SBU) Despite our desire to frame Vietnamese intra-Party politics as a competition between two well-defined factions, our interlocutors caution that "conservative/progressive" labels have become much less meaningful. Cuong, Hoa and Senior Colonel Tran Nhung, a senior journalist of Quan Doi Nhan Dan (People's Army) newspaper, said there is no clear difference between progressive and conservative elements in terms of ideological belief and only a limited difference in terms of geographic origin. The only significant difference between them might be their attitude on how to promote national anti-corruption efforts and deal with corrupt officials and the speed they prefer for economic (and, to a lesser extent, political) reform. There exists a common belief that current prominent southern figures like Triet, Dzung and Sang have not been as involved in corruption cases and/or the use of corrupt officials, which makes them better candidates for top leadership positions (although Sang lost his luster for many years because his oversight of HCMC during the heyday of mobster Nam Cam). For this reason, more corrupt elements within the Party often insist on "safe choices" when it comes to personnel issues, using the pretext of maintaining stability in order to avoid "disruption" through overzealous pursuit of corrupt cadres, said Nhung.

¶20. (SBU) The Party is attempting to make the right noises on the subject of corruption. Speaking at the opening session of the 10th Party Congress in April, Party Chief Nong Duc Manh made a shocking statement (by Vietnamese standards), saying that corruption is "one

of the major threats to the survival of the system."
"The degradation in terms of political ideology, moral quality, lifestyle, opportunism, individualism and bureaucracy, corruption and wastefulness by cadres and

HANOI 00001245 005.6 OF 006

civil servants is serious," he said.

¶21. (SBU) Furthermore, in May, Prime Minister Phan Van Khai said the Party will assign a Politburo member to be Deputy Prime Minister in charge of anti-corruption efforts. According to Ngo Cuong and Tran Nhung, it is likely that Truong Vinh Trong, current CPV Central Internal Commission chief and a strong voice for anti-corruption and Party reform, will be assigned to that position. Ngo Cuong, however, expressed doubt that Trong will be able to make much progress. Local observers who followed the Party Congress were disappointed that the Congress focused too much on reviewing 20 years of Doi Moi (economic renovation), and failed to map out the political reform that is essential to the promotion of democracy and transparency and to efficient anti-corruption efforts, Cuong asserted. He quoted former Party Chief Le Kha Phieu as saying that "corruption is guarded by the perpetrators and even defended by outside sources. This really is a fierce battle in which, if we wish to win, the Party and the State must take a closer look at themselves." The slowdown in PMU-18 prosecution (in particular Gen. Oanh's rapid rehabilitation) suggests that anticorruption efforts will not be too radical.

¶22. (SBU) Troels Vester, a program manager and law enforcement expert in Hanoi for the UN Office of Drugs and Crime, pointed out that although MPS's prosecution of the PMU-18 case may not have been a triumphant success from the perspective of crime fighting, it was a devastatingly clear demonstration of Le Hong Anh's power over any Government or Party official, up to and including the General Secretary. Considering that: public sentiment is so clearly disgusted with public corruption; the main current mechanisms for investigating and prosecuting corruption now fall under the Ministry of Public Security; nearly every senior Government and Party official in Vietnam (or their families) is guilty of at least some corrupt activity; and, Minister of Public Security Anh received a commanding mandate in the Poliburo election, he has amassed more power than any Vietnamese official in a generation, Vester said.

Comment

¶23. (SBU) Public Security Minister Le Hong Anh was the clearest winner in the 10th National Party Congress. A relatively low-profile member of the Politburo with ties to Nguyen Tan Dung, in the months before the National Party Congress, Anh was the key figure directing the investigation and prosecution of the PMU-18 case. Considering the smorgasbord of possible corruption investigations available to the MPS in Vietnam, the timing and targeting of this one (a few months before the Congress, at an agency stacked with Manh proteges, including Manh's son-in-law) could not have been accidental. Weakened conservative northerners rallied around Manh, but ultimately had to yield both the State President and the PM jobs to southerners (in the past, only the PM job went to a southerner) before they secured Anh's support for retaining Manh.

¶24. (SBU) The drama of the 10th Party Congress may not be over. The Party took the unprecedented step of acknowledging that Anh received the most Politburo

votes of any Central Committee member other than Manh. Listing Anh as number two in the Politburo, a position normally accorded to the State President regardless of vote counts, is a loud signal that Anh will hold significant authority. His specific job title is not yet decided; he may stay as Minister of Public Security, or take over the previously dormant position of National Security Committee head on the Politburo and oversee MPS or its successor agencies from there. And there is another possibility that is increasingly whispered about in Hanoi and HCMC: that Manh had to agree to step down early in his second term as the price of his re-election, just as General Secretary Do Muoi was forced to yield to Le Kha Phieu in 1997.

125. (SBU) Regardless of what eventually happens to Manh, the 57 year-old Anh has positioned himself to be a powerful force in Vietnamese political life, which after the 10th Party Congress appears to be more

HANOI 00001245 006.6 OF 006

personal and less geographic and ideological. End
Comment.

BOARDMAN